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DEMOCRATIC GOVERNORS' ASSOCIATION

February 13, 2003

Speaker J. Dennis Hastert U.S. House of Representatives Washington, D.C. 20515

Minority Leader Nancy Pelosi U.S. House of Representatives Washington, D.C. 20515

Dear Speaker Hastert/Democratic Leader Pelosi:

We are concerned that legislation (HR 4) coming to the floor of the House of Representatives this week will take a significant step backwards in reforming welfare. This bill would reduce State flexibility to decide the best mix of services and work activities needed to promote self-sufficiency. Moreover, states would have great difficulty meeting the increased work requirements without significant increased federal investment, which is not forthcoming under this proposal. To offset the financial burden of these proposed requirements, States may be forced to cut other services designed to help working families, such as childcare assistance.

As you are aware, States are facing their worst budget shortfalls in more than fifty years. Thirty-seven States were forced to reduce their enacted budgets by \$12.8 billion if FY 2002. More reductions will be required this year. This is not the time to replace State flexibility with unfunded mandates. As you consider legislation to reauthorize the Temporary Assistance for Needy Families (TANF) program, we urge you to maintain State flexibility and to provide adequate resources to help States move welfare recipients into wage-paying employment.

We appreciate your consideration of this request.

Sincerely,

Governor Gary Locke

Washington

Chair

Governor Thomas J. Vilsack

Iowa

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